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UNITED STATES GOVERNMENT  
FEDERAL COMMUNICATIONS COMMISSION  
M E M O R A N D U M

RE: MD Docket #93-297

DATE: February 7, 1994

FROM: *spWood* Shirley Wood, Financial Analysis Branch

SUBJECT: Documenting Visit by Radio Holland and SAIT Officials

TO: The Record

The purpose of this memorandum is to document a visit by Wouter Bon, Radio Holland USA and Erik Ceuppens, SAIT-Radio Holland S.A. to the FCC on February 4, 1994.

The FCC was first approached on January 31st by Mr. Bon who explained that Mr. Ceuppens was visiting the US from Belgium and he would be in Washington on Friday, February 4, enroute home. Mr. Bon stated that he and Mr. Ceuppens would like to visit the FCC to meet staff members associated with the administration of accounting authorities and to review the comments filed in connection with the NPRM, MD Docket #93-297. A meeting was scheduled for 10:00 a.m.

Those in attendance at the meeting were:

- Wouter Bon, Radio Holland USA;
- Erik Ceuppens, SAIT-Radio Holland S.A.;
- Douglas Davis, CCB, International Division;
- John Crews, Acting Chief, Financial Management Division;
- Regina Dorsey, Chief, Billings and Collections Branch;
- Bill Lewis, Chief, Financial Analysis Branch;
- Shirley Wood, Financial Analysis Branch.

Following introductions and opening remarks that included an explanation of each FCC employee's position in the Commission, Mr. Davis and I cautioned that this meeting could not be a forum for discussing the NPRM. Mr. Bon and Mr. Ceuppens stated that they understood that.

Among issues discussed during the meeting were:

1. Mr. Bon stated that he understood that the last time the Commission had begun a rulemaking process, they were inclined to privatize the entire universe of accounting authorities. He wanted to

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know where we stand now. Doug Davis explained that we were not considering privatizing at this time and that we were, in any event, responsible for the administration of all accounting authorities approved for the settlement of accounts.

2. Mr. Ceuppens asked if ITS, Gettysburg, settled for U.S. vessels only. He was told that was correct.

3. Mr. Bon asked about the definition of line items, whether that was one call or each line of a message. Regina Dorsey stated the fee was a per message cost.

4. There was discussion as to whether the NPRM addressed land mobile or aeronautical. Mr. Davis and I explained that the NPRM proposed rules for maritime mobile and maritime mobile-satellite radio services only.

5. Mr. Bon explained that Radio Holland and SAIT accept the responsibility to settle accounts even where ship operators do not make payment. (see #6)

They prepare written contracts and require a deposit up-front. The deposit is refunded if not applied to a final bill when the contractual relationship ends. In some cases, a deposit may be waived. An annual fee is also charged as well as a percentage of settlements. Clients are provided copies of ITU publications as part of their agreement. Mr. Davis stated that ITS cannot settle accounts prior to collection.

6. Mr. Bon also stated that they are often affected by bankruptcies.

7. Both visitors stated they would be adversely affected if changes in the time allowed to process settlements is shortened. He said they realize that recommendations continue to be made, but most accounting authorities are opposed. A change would be very difficult for them. Mr. Davis stated that ITS is not automated and invoicing is slow.

8. Mr. Bon stated concern if accounting authorities must accept all customers who reply. This was too closely related to the NPRM for discussion.

9. Mr. Ceuppens asked when they could expect the rules to go into effect. He explained they did not understand the rulemaking process in the US. Mr. Davis explained that any number of things could happen, i.e., the NPRM could be cancelled, another request for comment may be necessary, interim rules could be written or a final ORDER may result.

10. Mr. Bon asked whom they could contact for a status update. My name was given as an informal contact.

11. Mr. Bon asked for clarification of the "grand-fathering" of those accounting authorities who currently have interim authority. It was explained that, as the proposed rules are currently written and provided they complied with the application process as explained in the rulemaking, they would be certified.

12. Mr. Bon stated his concern that the same Accounting Authority Identification Codes be retained.

Following the meeting, the visitors were introduced to the Deputy, AMDO, (Tom Holleran) where they stated that they were glad to see a rulemaking and hoped other countries would follow suit. They also thanked Mr. Holleran for allowing them to meet the FCC employees responsible for the administration of accounting authorities.

They were then taken to the Reference Room to review the comments in MD Docket #93-297.